

March 18, 2019

## MARRIOTT INTERNATIONAL 2019 SECURITY ANALYST MEETING



### ■ FORWARD-LOOKING STATEMENTS

#### FORWARD-LOOKING STATEMENTS, NON-GAAP FINANCIAL MEASURES AND MODEL ASSUMPTIONS

This material contains “forward-looking statements” within the meaning of federal securities laws, including RevPAR, profit margin and earnings trends; the number of lodging properties we may add or remove in future years; our potential investment spending, share repurchases and dividends; the continued realization of synergies from our acquisition of Starwood; the size and strength of our loyalty program; and similar statements concerning possible future events or expectations that are not historical facts. We caution you that these statements are not guarantees of future performance and are subject to a number of risks and uncertainties, including changes in market conditions; changes in global and regional economies; supply and demand changes for lodging products; competitive conditions in the lodging industry; relationships with clients and property owners; the availability of capital to finance growth and refurbishment; the extent to which we can continue to successfully integrate Starwood and realize the anticipated benefits of combining Starwood and Marriott; the extent to which we experience adverse effects from the data security incident; changes in tax laws in countries in which we earn significant income; changes to our estimates of the impact of new accounting standards; and other risk factors that we identify in our most recent annual report on Form 10-K. Any of these factors could cause actual results to differ materially from the expectations we express or imply here. We make these statements as of March 18, 2019 and we assume no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

Throughout this presentation we report certain financial measures that are not required by, or presented in accordance with, United States generally accepted accounting principles (“GAAP”). These non-GAAP financial measures are labeled as “adjusted” (or “adj”), “combined”, or identified with the symbol “†”. In addition, all scenarios and models presented that include future periods (including fiscal years 2019, 2020 and 2021) assume the following items to be zero, and therefore do not include their impact, which we cannot accurately forecast and which may be significant: cost reimbursement revenue, reimbursed expenses, merger-related costs and charges, data security incident costs and gains and losses on asset dispositions made by us or by our joint venture investees. Measures that are labeled as “adjusted” (or “adj”) also exclude these items and may exclude additional items as indicated in the reconciliations accompanying this presentation. We discuss our reasons for reporting these non-GAAP measures and, to the extent available without unreasonable efforts, reconcile each to the most directly comparable GAAP measures at the end of this material.





**ARNE SORENSON**  
President and Chief Executive Officer

WE'VE BEEN ON AN EXCITING JOURNEY

STANDING STILL IS NOT A STRATEGY

## DISRUPTORS

OTAs

HOME-SHARING

SUPPLY  
GROWTH



The New York EDITION A-3

The Blackstone, Autograph Collection

U.S. Industry Room Supply Mix	2008	2018
Luxury	3%	3%
Upper Upscale	12%	12%
Upscale	13%	15%
Upper Midscale	15%	18%
Midscale	9%	9%
Economy	15%	13%
Independent	33%	30%

A-4



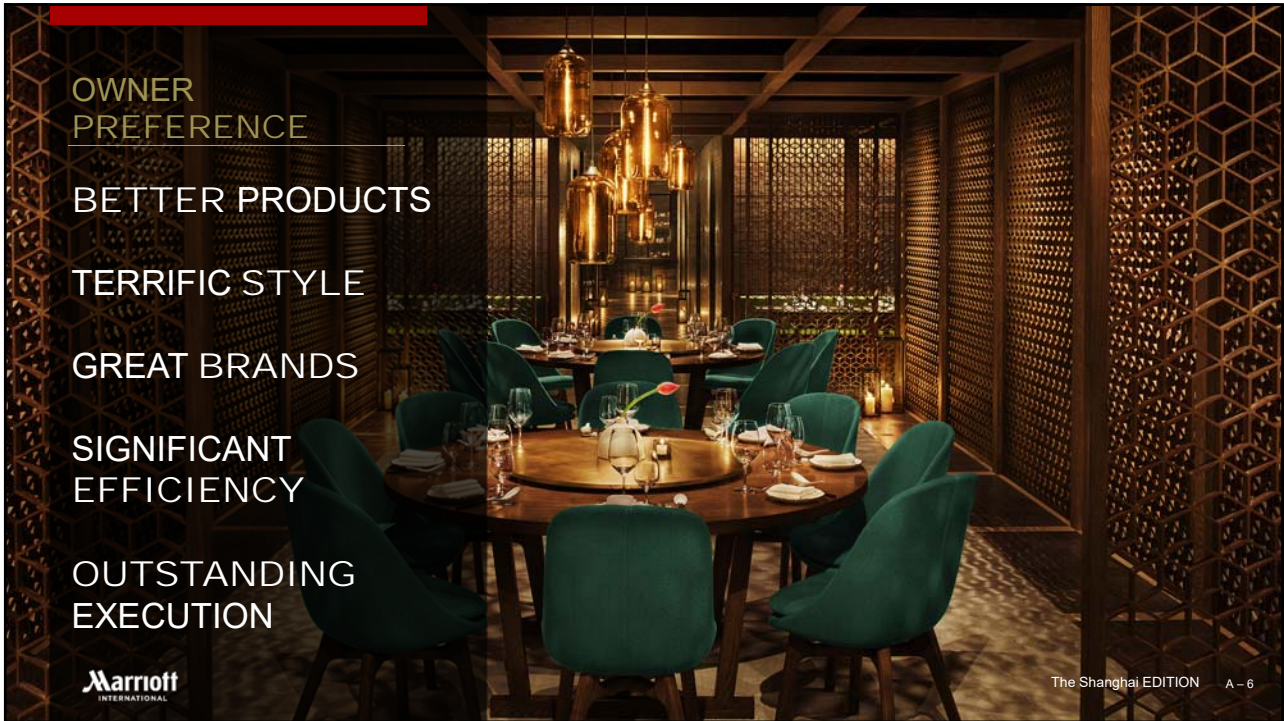


MEANINGFUL ADVANTAGES IN A COMPETITIVE ENVIRONMENT

- Sought-After Brands
- Broad Distribution
- Marriott Bonvoy
- Operational Skill
- High Standards

Paris Marriott Opera Ambassador Hotel

A - 5



OWNER PREFERENCE

BETTER PRODUCTS

TERRIFIC STYLE

GREAT BRANDS

SIGNIFICANT EFFICIENCY

OUTSTANDING EXECUTION

The Shanghai EDITION

A - 6

# STARWOOD ACQUISITION



NEW SERVICES



NEW EXPERIENCES



TECHNOLOGY & INNOVATION



CREDIT CARDS



COST SAVINGS



ASSET SALES & RENOVATIONS



TRAVEL PROGRAM



The St. Regis Rome A-7



# SERVE360

DOING GOOD IN EVERY DIRECTION



A-8





## COMMITMENT TO GOOD GOVERNANCE

SHAREHOLDER-FRIENDLY

TRANSPARENCY &  
COMMUNICATION

STRONG, INDEPENDENT  
BOARD



A-9



## 2019 TO 2021 MODEL ASSUMPTIONS

1% OR 3%  
COMPOUND REVPAR GROWTH  
THROUGH 2021

275,000 TO 295,000  
GROSS ROOM ADDITIONS OVER  
THREE YEARS



The New York EDITION A-10

## EXPECTED RESULTS VS. 2017 MODEL

Moxy Washington, DC Downtown

2017 TO 2019E

2017 ANALYST  
MEETING

EXPECTED  
RESULTS

REVPAR CAGR

1% OR 3%

~2.6%

GROSS ROOM ADDITIONS

285,000 TO 300,000

~245,000

ADJUSTED EBITDA<sup>†</sup> CAGR

5% TO 8%

~7%

CASH AVAILABLE FOR SHAREHOLDERS<sup>†</sup>

\$8.3B TO \$9.3B

~\$9.9B

DILUTED EPS<sup>†</sup> CAGR

17% TO 21%

~22%

Marriott  
INTERNATIONAL

A-11

## MODEL CONCLUSIONS

STABILIZED FEES FOR NEW ROOMS  
TO REACH \$700 MILLION ANNUALLY

OTHER FRANCHISE FEES  
INCREASE NEARLY \$200 MILLION OVER  
THREE YEARS

DILUTED EPS<sup>†</sup> GROWTH COMPOUNDED:  
11% TO 15%

ADJUSTED EBITDA<sup>†</sup> GROWTH COMPOUNDED:  
6% TO 9%

CASH AVAILABLE FOR SHAREHOLDERS<sup>†</sup> OVER  
THREE YEARS: \$9.5 TO \$11 BILLION

Marriott  
INTERNATIONAL

The St. Regis New York A-12



OPPORTUNITIES

REVENUE SYNERGIES

SHERATON

MARRIOTT BONVOY

EVOLVING METRICS

ENHANCED PERFORMANCE MEASURES

GREATER LINKAGE TO  
LONG-TERM SHAREHOLDER VALUE



A-13

## ■ SORENSON ENDNOTES

**Slide A-11 – Expected Results vs. 2017 Model**

Expected RevPAR is the average of actual RevPAR for 2017, 2018, and the 2019 guidance midpoint.

Expected Gross Room Additions is actual gross room additions for 2017, 2018 plus 2019 guidance midpoint.

Expected Adjusted EBITDA Growth is the CAGR from 2016 combined results to the 2019 guidance midpoint.

Expected Capital Returned to Shareholders is share purchases and dividends for 2017, 2018 plus 2019 guidance.

Expected Adjusted EPS Growth is the CAGR from 2016 combined results to the 2019 guidance midpoint.

